

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6561**

**BILL NUMBER:** SB 207

**NOTE PREPARED:** Dec 26, 2008

**BILL AMENDED:**

**SUBJECT:** Personal Property Tax Returns.

**FIRST AUTHOR:** Sen. Randolph

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill provides that a taxpayer is entitled to an extension of not more than 90 days to file a property tax return if: (1) the taxpayer submits a written application for an extension prior to the filing date; and (2) the taxpayer is prevented from filing a timely return because of sickness, absence from the county, or any other good and sufficient reason. (Current law gives local assessors the discretion to grant 30-day extensions under the same circumstances.)

**Effective Date:** Upon passage.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Under current law, business personal property tax returns must be filed by May 15<sup>th</sup> of each year. The local assessor may grant an extension through June 14<sup>th</sup>. Under this bill, the extension, if applied for, would be automatic and would extend the filing date through August 13<sup>th</sup>.

Currently, the county assessor must certify real and personal property assessments to the county auditor by July 1<sup>st</sup> each year. The county auditor must then provide a certified estimate of net assessed value to each taxing unit and the Department of Local Government Finance before August 1<sup>st</sup> of each year.

This bill would push the extended due date past the certification dates for the county assessor and auditor.

Those officials would have to make an estimate of the assessed value for personal property that was not yet reported by the certification dates. Net assessed values are, however, frequently re-certified at a later date when better information is available.

Tax rates must be certified by February 15<sup>th</sup> using the certified net assessed value. There should be sufficient time to re-certify net AV so that the tax rates can be set using the correct AV amount.

**State Agencies Affected:** Department of Local Government Finance.

**Local Agencies Affected:** Local assessors and county auditors.

**Information Sources:**

**Fiscal Analyst:** Bob Sigalow, 317-232-9859.